

STATE OF IOWA  
PROPERTY ASSESSMENT APPEAL BOARD

**Mark Yocum,**  
Appellant,

**v.**

**Polk County Board of Review,**  
Appellee.

**ORDER**

**Docket No. 13-77-0101**  
**Parcel No. 241/01000-010-003**

On November 12, 2013, the above-captioned appeal came on for hearing before the Iowa Property Assessment Appeal Board. The appeal was conducted under Iowa Code section 441.37A(2)(a-b) (2013) and Iowa Administrative Code rules 701-71.21(1) et al. Appellant Mark Yocum was self-represented. Assistant County Attorney David Hibbard represented the Board of Review. The Appeal Board now, having examined the entire record and being fully advised, finds:

***Findings of Fact***

Mark Yocum is the owner of residentially classified property located at 7021 Forest Drive, Johnston, Iowa. Yocum's property is a two-story home built in 1993 with 2611 square feet of above grade finish. There is also a full, unfinished basement, a deck, an open porch, and a three-car attached garage. The site is 0.539 acres.

The January 1, 2013, assessed value was \$359,200, allocated as \$90,200 in land value and \$269,000 in dwelling value. Yocum protested to the Board of Review claiming the property was inequitably assessed under Iowa Code section 441.37(1)(a)(1). The Board of Review reduced the assessed value to \$347,300. Yocum then appealed to this Board reasserting his claim and asserting the property's correct value is \$292,109.

Yocum listed ten properties as equity comparables and provided a spreadsheet summary of the properties. (Exhibit 1). A summary of the information follows.

Address	2013 Total AV	Improvement Value	Size	Improvement Value / SF	Total Value p/SF
7021 Forest (Subject)	\$347,300	\$257,100	2611	\$98.47	\$133.01
7011 Forest	\$320,900	\$232,000	3000	\$77.33	\$106.97
7010 Forest	\$339,900	\$252,000	2930	\$86.01	\$116.01
7031 Forest	\$423,700	\$333,500	3550	\$93.94	\$119.35
7020 Forest	\$337,000	\$249,100	2722	\$91.51	\$123.81
7030 Forest	\$520,200	\$432,300	4150	\$104.17	\$125.35
7051 Forest	\$439,100	\$348,900	3448	\$101.19	\$127.35
7000 Forest	\$358,500	\$273,200	2763	\$98.88	\$129.75
7050 Forest	\$435,400	\$347,500	3324	\$104.54	\$130.99
7040 Forest	\$367,400	\$279,500	2704	\$103.37	\$135.87
7041 Forest	\$507,200	\$417,000	3146	\$132.55	\$161.22
Average				\$99.35	\$127.67
Median				\$100.03	\$126.35

Yocum believes his equity comparables are homogeneous and were all built in roughly the same period between 1988 and 1995. For this reason, he does not understand why his property has the second highest total value per-square-foot, especially when it is the smallest property.

Yocum explained 7011 Forest, which is a next-door neighbor, has a total assessment of just under \$107 per-square-foot. Likewise, 7031 Forest, another next-door neighbor also has a total value per-square-foot that is less than his property. He believes the total assessed value of these neighboring properties demonstrate inequity; however, he does not address the fact that both of these properties are larger than his home and have a lower quality grade (2-05). Both of these factors would likely contribute to a lower value per-square-foot.

A notable difference between the subject property and Yocum's comparables is the division of the total square footage between the main and upper levels. The Board of Review provided a comparison of the grade and square-footage breakdown between the subject and the comparables submitted, as follows. (Exhibit A).

Address	Main Living Area	Upper Living Area	Grade
Subject	1925	686	2+00
7011 Forest	1624	1376	2-05
7010 Forest	1580	1350	2-05
7031 Forest	1936	1614	2-05
7020 Forest	1532	1190	2+00
7030 Forest	2260	1890	1+05
7051 Forest	2517	931	1-10
7000 Forest	1422	1341	2+05
7050 Forest	1640	1684	2+10
7040 Forest	1374	1330	2+05
7041 Forest	2457	689	1-10

The subject property has the smallest finished upper living area, which affects the costs associated with building the property. Typically, main level area is more expensive to build, and upper levels are less expensive. Polk County Deputy Assessor Amy Rasmussen explained this as the concept of “diminishing marginal utility,” also known in the industry as the theory of diminishing return. As an example, the cost analysis of 7011 Forest (Exhibit D) has slightly different pricing (\$88.70) for the main level living area (1624 square feet) compared to the subject cost analysis (Exhibit E), which indicates a main level living area of 1925 square feet priced at \$85.78. Both are reasonably comparable for the minor differences in size, with a slight decrease in the cost per-square-foot of the subject because its main level is slightly larger.

However, the costs associated with the upper level finish result in a much larger difference between the two properties. The property at 7011 Forest has 1376 square feet of upper living area with a cost of \$58.08, compared to the subject’s upper living area of 686 square-feet with a cost of \$78.32. Because 7011 Forest’s upper level finish is twice as large as the subject’s upper level, it has decreased costs consistent with the theory of diminishing return. This difference also helps explain why his overall costs are higher than his neighboring properties.

Rasmussen further explained the use of “grade” as the quality of construction of a property. Factors such as the roof, design quality, amenities, windows, and workmanship for example, contribute

to the grade rating. These grade factors are applied to the cost analysis. Rasmussen noted an aerial photograph of the subject and 7011 Forest (Exhibit F) shows the subject property has a superior roofline compared to the other property. This photograph demonstrates one example of why the subject has a superior grade than its neighbor.

Yocum also provided significant testimony regarding the reduction of 7011 Forest in the 2011 assessment year. He explained the Board of Review reduced that property's assessment upon protest in 2011. It was then appealed to this Board and was further reduced, through stipulation, to the roughly \$107 per-square-foot total value. However, we do not find this relevant to Yocum's 2013 equity claim.

### ***Conclusion of Law***

The Appeal Board applied the following law.

The Appeal Board has jurisdiction of this matter under Iowa Code sections 421.1A and 441.37A. This Board is an agency and the provisions of the Administrative Procedure Act apply. Iowa Code § 17A.2(1). This appeal is a contested case. § 441.37A(1)(b). The Appeal Board determines anew all questions arising before the Board of Review, but considers only those grounds presented to or considered by the Board of Review. §§ 441.37A(3)(a); 441.37A(1)(b). New or additional evidence may be introduced. *Id.* The Appeal Board considers the record as a whole and all of the evidence regardless of who introduced it. § 441.37A(3)(a); *see also Hy-vee, Inc. v. Employment Appeal Bd.*, 710 N.W.2d 1, 3 (Iowa 2005). There is no presumption the assessed value is correct. § 441.37A(3)(a). However, the taxpayer has the burden of proof. § 441.21(3). This burden may be shifted; but even if it is not, the taxpayer may still prevail based on a preponderance of the evidence. *Id.*; *Richards v. Hardin County Bd. of Review*, 393 N.W.2d 148, 151 (Iowa 1986).

To prove inequity, a taxpayer may show that an assessor did not apply an assessing method uniformly to similarly situated or comparable properties. *Eagle Food Centers v. Bd. of Review of the*

*City of Davenport*, 497 N.W.2d 860, 865 (Iowa 1993). Alternatively, a taxpayer may show the property is assessed higher proportionately than other like property using criteria set forth in *Maxwell v. Shivers*, 257 Iowa 575, 133 N.W.2d 709 (Iowa 1965). The six criteria include evidence showing

“(1) that there are several other properties within a reasonable area similar and comparable . . . (2) the amount of the assessments on those properties, (3) the actual value of the comparable properties, (4) the actual value of the [subject] property, (5) the assessment complained of, and (6) that by a comparison [the] property is assessed at a higher proportion of its actual value than the ratio existing between the assessed and the actual valuations of the similar and comparable properties, thus creating a discrimination.”

*Id.* at 711. The *Maxwell* test provides that inequity exists when, after considering the actual and assessed values of comparable properties, the subject property is assessed at a higher proportion of this actual value. *Id.* The *Maxwell* test may have limited applicability now that current Iowa law requires assessments to be at one hundred percent of market value. § 441.21(1). Nevertheless, in some rare instances, the test may be satisfied.

None of the properties Yocum offered for equity comparison recently sold, and he did not determine a fair market value of those properties. An equity analysis typically compares *prior year sale prices* (2012 sales in this case) or established market values to the *current year’s assessment* (2013 assessment) to determine the sales-ratio. Further, the Yocum did not make any assertions that the assessor failed to apply an assessing method uniformly to similarly situated or comparable properties. Thus, Yocum’s evidence did not prove inequity under either legal test.

THE APPEAL BOARD ORDERS the assessment of the Mark Yocum’s property located at 7021 Forest Drive, Johnston, Iowa, as set by the Polk County Board of Review is affirmed.

Dated this 3rd day of January, 2013.



---

Karen Oberman, Presiding Officer



---

Jacqueline Rypma, Board Member

Copies to:

Mark Yocum  
7021 Forest Drive  
Johnston, Iowa 50131  
APPELLANT

David Hibbard  
111 Court Avenue  
Room 340  
Des Moines, Iowa 50309  
ATTORNEYS FOR APPELLEE